



DEPARTMENT OF DEFENSE

BILLING CODE 5001-06

Office of the Secretary

32 CFR Part 241

Docket ID: DOD-2010-OS-0141

RIN 0790-AI66

Pilot Program for the Temporary Exchange of Information Technology Personnel

AGENCY: Department of Defense (DoD), Office of the DoD Chief Information Officer (DoD CIO).

ACTION: Final rule.

SUMMARY: This part assigns responsibilities and provides procedures for implementing a Pilot Program for the Temporary Exchange of Information Technology Personnel, known as the Information Technology Exchange Program pilot. Pilot is envisioned to promote the interchange of DoD and private sector IT professionals to enhance skills and competencies. Given the changing workforce dynamics in the IT field, DoD needs to take advantage of these types of professional development programs to proactively position itself to keep pace with the changes in technology. The ITEP pilot will serve the public good by enhancing the DoD IT workforce skills to protect and defend our nation.

EFFECTIVE DATE: This rule is effective **[INSERT 30 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

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SUPPLEMENTARY INFORMATION:

Executive Summary

I. Purpose of this Regulatory Action

a. The ITEP Pilot is envisioned to promote the interchange of DoD and private sector IT professionals to enhance skills and competencies. Given the changing workforce dynamics in the IT field, DoD needs to take advantage of these types of professional development programs to proactively position itself to keep pace with the changes in technology.

To date, one private sector candidate has been successfully placed and completed a 6 month ITEP assignment with the DoD Office of the Under Secretary of Defense (Comptroller). Two additional private sector candidates have been identified for ITEP assignments and the details of these assignments are currently being worked with the respective sponsoring organizations. We anticipate that both candidates will onboard to DoD in the third quarter of Fiscal Year 2012. The Department has posted nine ITEP detail opportunity announcements for private sector candidates to the DoD ITEP website related to service oriented architecture, cybersecurity, IT project management, IT infrastructure/consolidation, social media, and mobility and wireless. An announcement has also been posted on the ITEP website for a DoD employee to participate in a detail in networking with a small, veteran-owned private sector company.

b. This regulation implements section 1110 of the National Defense Authorization Act for Fiscal Year 2010 (Pub. L. 111-84), which authorizes DoD to implement a Pilot Program for the Temporary Exchange of Information Technology (IT) Personnel. This statute authorizes the temporary assignment of DoD IT employees to private sector organizations. This statute also gives DoD the authority to accept private sector IT employees assigned under the Pilot.

II. Summary of the Major Provisions of this Regulatory Action

This Pilot Program (“Pilot”) is authorized by section 1110 of the NDAA for FY2010 (Pub. L.111-84). Section 1110 authorizes DoD Components to assign exceptional IT employees to a private sector organization for purposes of training, development and sharing of best practices. It also gives DoD Components the authority to accept comparable IT employees on an assignment from the private sector for the training and development purposes and sharing of best practices and insight of government practices.

III. Costs and Benefits of this Regulatory Action

The cost of employee’s salary and benefits will be paid by the originating employer. It is anticipated that the benefit will outweigh the cost to manage this program and any additional cost would be related to travel or cost to attend training or conferences.

Public Comment

The DoD ITEP interim final rule, Title 32 of the Code of Federal Regulations (CFR) Part 241 was published in the Federal Register, Vol. 75, No. 239 pages 77753-77756 on December 14, 2010 for public comment. The comment period ended on February 14, 2011. DoD received no comments.

However, the Department did make minor changes to the final rule that were not included in the interim rule. These changes were based upon clarifying terms, responsibilities and procedures pertaining to the implementation of the ITEP pilot.

The minor changes that were made to the final rule can be found in the following sections:

241.1 Purpose. (b) The first and second sentence was clarified to read "DoD Component authorized approving official" from the interim rule title "Heads of DoD Components."

241.2 Definitions. The first definition title was updated to read "Detail" from the interim rule title "assignment". This is changed throughout the document. The fourth definition title was updated to read "Information technology (IT)" from the interim rule title "Information technology management".

241.6 Length of details. The title of this section was updated from the interim rule title "Length of assignments".

Regulatory Procedures

Executive Order 12866, “Regulatory Planning and Review” and Executive Order 13563, “Improving Regulation and Regulatory Review”

It has been certified that 32 CFR part 241 does not:

- (1) Have an annual effect on the economy of \$100 million or more, or may adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, environment, public health or safety, or State, local or tribal governments or communities;
- (2) Create a serious inconsistency or otherwise interfere with an action taken or planned by another Agency;
- (3) Materially alter the budgetary impact of entitlements, grants, user fees, or loan programs, or the rights and obligations of recipients thereof; or
- (4) Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in these Executive Orders.

Sec. 202, Pub. L. 104-4, “Unfunded Mandates Reform Act”

It has been certified that 32 CFR part 241 does not contain a Federal mandate that may result in expenditure by State, local and tribal governments, in aggregate, or by the private sector, of \$100 million or more in any one year.

Public Law 96-354, “Regulatory Flexibility Act” (5 U.S.C. 601)

It has been certified that 32 CFR part 241 is not subject to the Regulatory Flexibility Act (5 U.S.C. 601) because it would not, if promulgated, have a significant economic impact on a substantial number of small entities.

Public Law 96-511, “Paperwork Reduction Act” (44 U.S.C. Chapter 35)

It has been certified that 32 CFR part 241 does not impose reporting or recordkeeping requirements under the Paperwork Reduction Act of 1995. While detailed to DoD, a private sector ITEP candidate is deemed to be an employee of the DoD for certain purposes and is bound by applicable federal and DoD regulations regarding personal conduct, security requirements and ethical behavior.

Executive Order 13132, “Federalism”

It has been certified that 32 CFR part 241 does not have federalism implications, as set forth in Executive Order 13132. This rule does not have substantial direct effects on:

- (1) The States;
- (2) The relationship between the National Government and the States; or
- (3) The distribution of power and responsibilities among the various levels of Government.

List of Subjects in 32 CFR Part 241

Government employees, information technology

Accordingly, 32 CFR part 241 is revised to read as follows:

PART 241—PILOT PROGRAM FOR TEMPORARY EXCHANGE OF INFORMATION TECHNOLOGY PERSONNEL

Sec.

241.1 Purpose.

241.2 Definitions.

241.3 Assignment authority.

241.4 Eligibility.

241.5 Written agreements.

241.6 Length of detail.

241.7 Termination.

241.8 Terms and conditions.

241.9 Costs and reimbursements.

241.10 Small business considerations.

241.11 Numerical limitation.

241.12 Reporting requirements.

241.13 Implementation.

Authority: Pub. L. 111-84, section 1110, October 28, 2009.

§241.1 Purpose.

(a) The purpose of this part is to implement section 1110 of the National Defense Authorization Act for Fiscal Year 2010 (Pub. L. 111-84), which authorizes DoD to implement a Pilot Program

for the Temporary Exchange of Information Technology (IT) Personnel. This statute authorizes the temporary assignment of DoD IT employees to private sector organizations. This statute also gives DoD the authority to accept private sector IT employees assigned under the Pilot. This program is referred to as the Information Technology Exchange Program (ITEP) pilot.

(b) DoD Component authorized approving official may approve assignments as a mechanism for improving the DoD workforce's competency in using IT to deliver government information and services. DoD Component authorized approving official may not make assignments under this part to circumvent personnel ceilings, or as a substitute for other more appropriate personnel decisions or actions. Approved assignments must meet the strategic program goals of the DoD Components. The benefits to the DoD Components and the private sector organizations are the primary considerations in initiating assignments; not the desires or personal needs of an individual employee.

§241.2 Definitions.

In this part:

Detail means the assignment of a DoD employee to a private sector organization without a change of position; or the assignment of a private sector employee to a DoD Component without a change of position.

DoD employee means a Federal civilian employee of the DoD.

Exceptional employee means performance meets or exceeds all standards established at the fully successful level or above and makes significant contributions towards achieving the organizational goals. Participating organizations should target highly motivated, disciplined employees.

Information technology (IT) as defined means use of computers, ancillary equipment (including imaging peripherals, input, output, and storage devices necessary for security and surveillance),

peripheral equipment designed to be controlled by the central processing unit of a computer, software, firmware and similar procedures, services (including support services), and related resources. IT includes the planning, organizing, staffing, directing, integrating, or controlling of information technology, including occupational specialty areas such as systems administration, IT project management, network services, operating systems, software application, cyber security, enterprise architecture, policy and planning, internet/web services, customer support, data management and systems analysis.

Private sector organization means nonpublic or commercial individuals and businesses, nonprofit organizations, academia, scholastic institutions, and nongovernmental organizations.

Small business concern means a business concern that satisfies the definitions and standards by the Administrator of the Small Business Administration (SBA) as defined by 5 U.S.C. 3703 (e)(2)(A).

§241.3 Assignment authority.

The Secretary of Defense may with the agreement, of the private sector organization concerned, arrange for the temporary assignment of a DoD employee to a private sector organization or accept a private sector employee from a private sector organization to a DoD Component.

§241.4 Eligibility.

(a) To be eligible for an ITEP detail, a DoD or private sector employee must:

- (1) Work in the field of IT;
- (2) Be equivalent at the GS-11 level or above
- (3) Be considered an exceptional employee, meet or exceed successful performance levels and makes significant contributions towards achieving organizational goals;
- (4) Be expected to assume increased IT responsibilities in the future;

(5) Be currently employed by an organization interested in participating in the ITEP pilot; and

(6) Obtain supervisor and company approval before an employee can participate in an ITEP detail.

(b) In addition to meeting the requirements of paragraph (a) of this section, the DoD employee must be serving under a career or career-conditional appointment or an appointment of equivalent tenure in the excepted service.

(c) The private sector employee must meet citizenship requirements for Federal employment in accordance with 5 CFR 7.3 and 338.101, as well as any other statutory requirements. When a position requires a security clearance, the person must possess, or be able to obtain an appropriate security clearance.

(d) Proposed assignment meets applicable requirements of section 209(b) of the E-Government Act of 2002.

§241.5 Written agreements.

(a) Before a detail begins, the DoD Component authorized approving official, private sector organization authorized approving official and the employee to be assigned to the ITEP detail must sign a three-party agreement. Prior to the agreement being signed the relevant legal office for the DoD Component shall review and approve the agreement. The agreement must include, but is not limited to the following elements:

(1) The duties to be performed and length of detail;

(2) Describe the core IT competencies and technical skills that the detailee will be expected to enhance or acquire;

(3) Identification of the supervisor of detailee.

(b) The agreement shall require DoD employees, upon completion of the assignment serve in the civil service for a period equal to the length of the detail; and

(c) Provide that if the employee of the DoD or of the private sector organization (as the case may be) fails to carry out the agreement, such employee shall be liable to the United States for payment of all expenses of the assignment, unless that failure was for good and sufficient reason as determined by the Secretary of Defense.

§241.6 Length of details.

(a) A detail shall be for a period of not less than 3 months and not more than 1 year, and may be extended in 3-month increments for a total of not more than 1 additional year by DoD Components and private sector organizations authorized approving officials.

(b) This extension may be granted in 3-month increments not to exceed 1 year. No assignment may commence after September 30, 2013.

§241.7 Termination.

An assignment may, at any time and for any reason be terminated by the DoD or the private sector organization concerned.

§241.8 Terms and conditions.

(a) A DoD employee assigned under this part:

(1) Remains a Federal employee without loss of employee rights and benefits attached to that status. These include, but are not limited to:

(i) Consideration for promotion;

(ii) Leave accrual;

(iii) Continuation of retirement benefits and health, life, and long-term care insurance benefits; and

(iv) Pay increases the employee otherwise would have received if he or she had not been assigned;

(2) Remains covered for purposes of the Federal Tort Claims Act, and for purposes of injury compensation as described in 5 U.S.C. chapter 81; and

(3) Is subject to any action that may impact the employee's position while he or she is assigned.

(b) An employee of a private sector organization:

(1) May continue to receive pay and benefits from the private sector organization from which such employee is assigned;

(2) Is deemed to be an employee of the DoD for the purposes of:

(i) Chapter 73 of title 5, United States Code (Suitability, Security, and Conduct);

(ii) Sections 201 (Bribery of Public Officials and Witnesses), 203 (Compensation to Members of Congress, Officers and Employees Against and Other Matters Affecting the Government), 205 (Activities of Officers and Employees in Claims Against Other Matters Affecting the Government), 207 (Restrictions on Former Officers, Employees, and Elected Officials of the Executive and Legislative Branches), 208 (Acts Affecting a Personal Financial Interest), 209 (Salary of Government Officials and Employees Payable only by the United States), 603 (Making Political Contributions), 606 (Intimidation to Secure Political Contributions), 607, (Place of Solicitation), 643 (Accounting Generally for Public Money), 654 (Officer or Employee of the United States Converting Property of Another, 1905 (Disclosure of Confidential Information Generally), and 1913 (Lobbying with Appropriated Moneys) of title 18, United States Code;

(iii) Sections 1343, 1344, and 1349 (b) of title 31, United States Code;

(iv) The Federal Tort Claims Act and any other Federal tort liability statute;

- (v) The Ethics in Government Act of 1978;
- (vi) Section 1043 of the Internal Revenue Code of 1986; and
- (vii) Section 27 of the Office of Federal Procurement Policy Act; and
- (3) May not have access to any trade secrets or to any other nonpublic information which is of commercial value to the private sector organization from which he or she is assigned;
- (4) Is subject to such regulations as the President may prescribe; and
- (5) Is covered by 5 U.S.C. chapter 81, Compensation for Work Injuries.
- (6) Does not have any right or expectation for Federal employment solely on the basis of his or her assignment.

§241.9 Costs and reimbursements.

(a) *Payment of Salary and Allowances.* The lending organization (DoD or private sector organization) has full responsibility for payment of all salary and allowances to their employee participating in an ITEP pilot. Both DoD and private sector employees participating in the ITEP pilot are entitled to all benefits afforded to similar employees of their respective lending organizations, including medical care, according to subscribed plans and Worker's Compensation for injuries sustained in the line of duty.

(b) *Business Training and Travel Expenses.* The engaging organization (recipient of the ITEP pilot participant) may pay for any business training and travel expenses incurred by the employee while participating in the ITEP pilot.

(c) *Prohibition.* A private sector organization may not charge the DoD or any agency of the Federal Government, as direct or indirect costs under a Federal contract, for the costs of pay or benefits paid by that organization to an employee assigned to a DoD Component.

§241.10 Small business consideration.

The DoD CIO on behalf of the Secretary of Defense shall:

- (a) Ensure that, of the assignments made each year, at least 20 percent are from small business concerns (as defined by 5 U.S.C. 3703(e)(2)(A)).
- (b) Take into consideration the questions of how assignments might be used to help meet the needs of the DoD with respect to the training of employees in IT.

§241.11. Numerical limitation.

The ITEP Pilot is an opportunity for the exchange of knowledge, experience and skills between DoD and the private sector. The DoD has the flexibility to send their employees to the private sector or receive private sector employees, or participate in a one-for-one exchange. In no event may more than 10 employees participate in assignments under this section at any given time.

§241.12 Reporting requirements.

(a) For each of fiscal years 2010 through 2015, the Secretary of Defense shall submit annual reports to the congressional defense committees, not later than 1 month after the end of the fiscal year involved, a report on any activities carried out during such fiscal year, including the following information:

- (1) Respective organizations to and from which an employee is assigned;
- (2) Positions those employees held while they were so assigned;
- (3) Description of the tasks they performed while they were so assigned; and
- (4) Discussion of any actions that might be taken to improve the effectiveness of the Pilot program, including any proposed changes in the law.

(b) These reports will be prepared and submitted by DoD CIO in coordination with DoD Components participating in the Pilot, to the appropriate congressional committees.

§241.13 Implementation.

The DoD CIO is responsible for administering, coordinating and implementing the Pilot Program for the Temporary Exchange of Information Personnel, referred to as the Information Technology Exchange Program (ITEP) pilot. The DoD CIO will coordinate with DoD Components.

DATED: June 15, 2012.

Patricia L. Toppings

OSD Federal Register Liaison Officer

Department of Defense

[FR Doc. 2012-15007 Filed 06/19/2012 at 8:45 am; Publication Date: 06/20/2012]